



Republican Policy Committee

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January 24, 1995

Response to the State of the Union

"The idea that one speech can change the whole climate is an exaggeration. It has to be followed by proposals, by specific ideas, by actions that show that you know what the voters were saying November 8."

U. S. Senator Chris Dodd, D-CT
Baltimore Sun, January 23, 1995

President Clinton travels to Capitol Hill tonight for the third time in his presidency to deliver the State of the Union address. It is the first time since 1948 that a Democrat President has spoken to a Republican-controlled Congress. In it, he is expected to "emphasize conciliation and goodwill" toward Congress, the President told *U. S. News and World Report*. "There are some real opportunities for working together," the President said.

It's no wonder the President, suddenly, wants to work with Republican Members of Congress. Public opinion polls clearly show that Americans believe and want Congress, not the President, to have more influence over the direction of the nation¹. Specifically, look for President Clinton to do the following tonight in his 55-57 minute speech:

- President Clinton will take credit for scores of accomplishments -- including reducing the deficit by \$255 - \$700 billion (patently not true), and for keeping or making progress on 96 percent of his promises.²
- President Clinton will try to "out-reform" the reform Congress by calling for a gift ban, lobby disclosure, and campaign finance reform.
- President Clinton may call for an increase in the minimum wage, currently at \$4.25 per hour. Candidate Clinton called for a 50-cent increase in the wage, and Labor Secretary Reich has proposed an 18 percent increase to \$5.00 per hour. Many Republicans believe such an increase will turn the "working poor" into the "nonworking poor."³
- President Clinton will cite specific areas in which he agrees with the House Republicans' Contract with America, including the line-item veto. Candidate Clinton promised to cut \$10 billion in spending with the line item veto,⁴ to cut "pork barrel" and "wasteful" spending, but did nothing to advance that agenda item during the 103d Congress. In fact, he sent no rescission requests to Congress in 1993.

- President Clinton will reaffirm his support for a so-called "middle class tax cut," a reversal from the middle class tax increases he fought for successfully in his first budget (4.3 cent gasoline tax increase, higher taxes on Social Security recipients making \$34,000 or more, etc.).
- The President may spend some time on foreign policy. Some suspect he may also make an announcement regarding American troops in Haiti tonight (i.e., withdrawal).
- Expect partisan politics to play a major, if subtle, role in the speech, despite protestations to the contrary. *U. S. News and World Report* (January 30 issue) reports that Clinton has also "developed a longer range plan that is far more hardheaded," calling for the establishment of "clear battle lines, portraying the Republicans as heartless extremists while he positions himself as a moderate in his campaign for reelection."

What the President Should Say

If the President truly wishes to strike a bipartisan accord and use the opportunity to lead the nation and win plaudits from both Republicans and Democrats, he should consider the following:

- **Explain the Mexico Debt Crisis:** If the President truly believes, as his Administration claims, that financial assistance in the form of \$40 billion in loan guarantees is crucial, he should explain to the American people in some detail why that is so, and make a strong pitch to Members of Congress in his own party to support his plan.
- **Unfunded Mandates and Regulations:** Candidate Clinton promised (June 22, 1992) that *"I am going to stop handing down mandates to you and regulating you to death."* The President can follow through on that important commitment tonight by encouraging Democratic Members of Congress to drop their delaying tactics on House and Senate legislation, including S. 1, to relieve state and local governments of the burden of unfunded federal mandates.

Furthermore, the President should consider acknowledging that regulations have ballooned under his Administration, and that he will work with Congress to keep his campaign promise (See *RPC Regulation Watch*, "Regulations Balloon Under Clinton," January 6, 1995), including a moratorium on new regulations, as has been requested by the congressional Republican leadership. The number of actual pages in the *Federal Register* are higher under Clinton than at any time since the Carter Administration (over 126,000 pages during his first two years).

- **Balanced Budget Amendment:** In 1993, President Clinton stated his staunch opposition to the balanced budget amendment, which enjoys the strong support of the American people. He may wish to either 1) explain in detail why the Federal government should not be required to balance its budget like America's families do, or 2) change course and encourage Congress to pass it and send it to the states for ratification.

What Republicans Can Say

- The President will give a good speech tonight -- he always does. But in the morning, he will probably still:
 - Oppose the Balanced Budget Amendment to the Constitution;
 - Fight to keep Republicans from adopting real spending cuts and other efforts to shrink the size and scope of government;
 - Oppose Republican attempts to enact meaningful anti-crime legislation;
 - Fight to keep Republicans from relieving American families and job creators from the growing burden of Federal regulations.
- Republicans are doing precisely what Americans voted for on November 8, starting with making Congress live under the laws like everyone else. The Congressional Coverage Act was passed by the Senate 98-1 on January 11 and by the House on January 17, 390-0. This is the earliest since 1933 that Congress has passed a significant domestic measure and readied it for the President's signature. The first Public Law of the 104th Congress, P.L. 104-1, was signed on January 23, 1995.
- President Clinton will agree with Republicans on some issues -- the line item veto, unfunded mandates reform, the need for a middle-class tax cut. If he truly believes these are the best policies, the President owes it to the nation to call off his Democrat obstructionists in the House and Senate. Let Republicans get on with the business of changing America.
- Republicans will continue to carry out their mandate for change, starting this week in the House, and next week in the Senate, with passage of a Balanced Budget Amendment to the Constitution, followed by the line-item veto, and this spring, a significant down payment towards a balanced federal budget by the year 2002.

Endnotes

1. Source: Gallup poll for CNN/USA TODAY conducted 1/18/95. When asked, "Who has more influence over the direction of the nation?", 80% said the GOP, compared to 13% for Clinton. When asked "Who do you want to have more influence?", 49% chose GOP while 40% chose Clinton.
2. See RPC's January 23, 1995 update of *"In His Own Words: Broken Promises From the President,"* also published on July 1, 1994.
3. See the RPC's October 13, 1994 Policy Analysis, *"How to Help the Working Poor Without Creating Job Losses."*
4. *"Putting People First: A National Economic Strategy,"* Clinton for President Committee Memorandum, June 20, 1992, see pages 17 and 21.